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IN THE COURT OF APPEAL OF THE STATE OF CALIFORNIA

FIRST APPELLATE DISTRICT

DIVISION THREE

In re the Marriage of HSIANG YUN
TENG and JOHN CHOW.

HSIANG YUN TENG,

Respondent,

v.

JOHN CHOW,

Appellant.

A155033

(San Mateo County
Super. Ct. No. FAM0102695)

Respondent Hsiang Yun Teng and appellant John Chow entered into a settlement agreement to dispose of outstanding property rights issues arising from the dissolution of their marriage. Teng filed a request for order to enforce the settlement agreement, while Chow moved to set aside the settlement agreement on the grounds that it was obtained under fraud and duress. The trial court entered judgment, finding that the settlement agreement was enforceable and ordering the division of property pursuant to the terms of the settlement agreement. Chow appeals the judgment. We will affirm.

FACTUAL AND PROCEDURAL BACKGROUND

Teng and Chow married in 1998. Teng filed a petition for dissolution of marriage in 2009. In 2012, the trial court entered judgment dissolving the marriage and reserved jurisdiction over all other issues.

The trial on remaining issues originally began in 2014 but was not completed at that time. The court set additional trial dates, which were later continued to March 2015. When Teng and her counsel failed to appear at the next hearing date, the trial proceeded in their absence. The disputed property issues included a Wells Fargo bank account containing the proceeds from the sale of Teng and Chow's residence in Burlingame, as well as commercial property located at 611-619 85th Avenue in Oakland. The trial court issued findings and orders upon completion of the trial. On April 6, 2015, Teng filed a motion to set aside the orders, on the grounds that her failure to appear at trial was due to an attorney calendaring mistake. The motion was granted.

In late April 2015, Teng and Chow began to meet each other for meals. According to Teng, these meetings were prompted by a letter from Chow she received earlier that month. Chow, however, asserted that his letter was written much earlier and that the meetings were instead prompted by telephone calls and text messages from Teng.

The letter was originally written in Chinese but later translated into English. The translation of the letter states that Chow was "willing to give up, to divide into 50% each person, and as what my attorney has written, I am willing to let go the money you have taken as well. I believe this way it is barely acceptable. Business is not good these days. As such, I don't want to continue it any longer, or to change it to be done with. If you agree, we will sign an agreement. If you don't like that, I would just have to be compelled to

continue.” The translation notes it was “almost time for another court hearing.”

On May 13, 2015, Teng and Chow signed a settlement agreement (the 2015 Settlement Agreement). The heading read “Case No: F0102695” and provided that Teng and Chow “settle the case as follow: (1) Wellas Fargo Band Money 50/50 each. [¶] (2) 611-619 85th Ave Oakland CA 94621 Property 50/50 to each person.” (*Sic.*) It was signed by Teng and Chow, as well as two of Chow’s employees as witnesses.

The next day, Chow gave Teng a cashier’s check for \$72,000 in her name. According to Teng, the \$72,000 check represented her share of the Wells Fargo bank account. Chow, however, contended that he gave Teng this check from his “kind heart” after she told him her health and living conditions were not good, as he “did not want her to have a bad life.”

In 2016, Teng filed a request for order regarding the partition, sale, and distribution of sale proceeds from the 611-619 85th Avenue Oakland property pursuant to the 2015 Settlement Agreement. Chow opposed this request, seeking instead to set aside the 2015 Settlement Agreement on the grounds that it was obtained through fraud and duress. Chow also sought an evidentiary hearing on the matter.

In 2017, Chow filed a request for order to expand the scope of the evidentiary hearing to include additional property division issues that he asserted were still pending. Teng opposed this request, moving instead to bifurcate so that the 2015 Settlement Agreement issue could be resolved first. Teng argued that if the trial court found the 2015 Settlement Agreement enforceable, it need not consider the additional issues raised by Chow. The court set dates for an evidentiary hearing regarding enforcement of the 2015

Settlement Agreement, to be followed by trial on all remaining disputed property issues.

At the evidentiary hearing on August 29, 2017, Chow and Teng testified under direct and cross-examination. The court recessed at the end of the day before Chow's testimony was completed.

On the first scheduled date for remaining trial issues, January 24, 2018, counsel for Chow and Teng indicated that the parties had reached agreement on certain procedural issues. First, the parties agreed that they would deem the matter of the 2015 Settlement Agreement submitted based on the evidence already received. Second, the parties agreed to a schedule for closing argument briefs on the 2015 Settlement Agreement at issue. Third, the parties agreed that they sought a decision from the trial court on the enforceability of the 2015 Settlement Agreement. After discussion with counsel on availability, the court also calendared two days of trial "on the remaining issues in the event that the settlement agreement is found to be unenforceable"

The parties filed their closing argument briefs. The trial court issued a proposed judgment on June 19, 2018, finding that the 2015 Settlement Agreement was enforceable. The trial court explained that it found Teng's account of the timing of the letter more credible; that it disbelieved Chow's testimony that he was "forced or tricked" into signing the 2015 Settlement Agreement because the terms generally matched his proposal in the letter; and that the check for \$72,000 closely approximates Teng's share of the Wells Fargo account under the 2015 Settlement Agreement. Neither party filed any objections to the proposed judgment. On July 16, 2018, the trial court entered its judgment on reserved issues and ordered division of property

pursuant to the terms of the 2015 Settlement Agreement. This appeal followed.

DISCUSSION

The trial court's judgment on reserved issues and division of property is reviewed for abuse of discretion. (*In re Marriage of Quay* (1993) 18 Cal.App.4th 961, 965.) On appeal, Chow argues that the trial court abused its discretion in three ways: (1) by finding Teng was more credible than Chow regarding when the letter was received; (2) by finding that the 2015 Settlement Agreement was enforceable; and (3) by entering judgment as to all remaining issues. We address each of these arguments in turn.

I. DETERMINATION OF CREDIBILITY

Chow argues first that the trial court abused its discretion because it found Teng to be more credible than Chow regarding when the letter was received. Chow offers no legal authority to support his argument.

Factual findings made in entering a judgment on division of property are to be upheld if supported by substantial evidence. (*In re Marriage of Quay, supra*, 18 Cal.App.4th at p. 966.) Under the substantial evidence standard, we consider all evidence in the light most favorable to the prevailing party, giving her the benefit of every reasonable inference and resolving all conflicts in her favor. (*Estate of Young* (2008) 160 Cal.App.4th 62, 76.) "We may not reweigh the evidence and are bound by the trial court's credibility determinations." (*Ibid.*) The testimony of one witness, even that of a party, may be sufficient to support the findings of the trial court. (*In re Marriage of Slivka* (1986) 183 Cal.App.3d 159, 163.)

Here, the trial court's factual findings and conclusions of law reflect its careful consideration of the evidence presented on this issue. The trial court looked at the content of the letter, which referenced an upcoming court

hearing and expressed Chow's willingness to "let go" of money taken by Teng. The trial court then reviewed its register of actions to confirm there were at least three hearing dates that had been scheduled around April 2015, including hearings on Chow's request to freeze Teng's account and award him the entirety of the Wells Fargo account. In contradiction with the register of actions, Chow's closing argument brief argued that he could not have written the letter in April 2015 because there was no hearing pending. And while Chow contended that his meetings with Teng were instead initiated via text messages and phone calls, the trial court noted that he introduced no corroborating evidence of such communications. Based on the content of the letter and the register of actions, the trial court found Teng's account that she received the letter in April 2015 "to be more credible and supported by the evidence." We do not second-guess the trial court's determination of credibility on this issue, and conclude that the trial court's finding regarding the date of the letter was supported by substantial evidence. The trial court did not abuse its discretion.

II. ENFORCEABILITY OF 2015 SETTLEMENT AGREEMENT

Chow argues next that the trial court abused its discretion in finding that the 2015 Settlement Agreement was enforceable based on "an abundance of evidence pointing to undue influence and even fraud" and "a total lack of evidence" that Chow signed the agreement knowingly and voluntarily. To support his argument, Chow relies on the same factual assertions previously raised in the trial court.

Code of Civil Procedure section 664.6 provides: "If parties to pending litigation stipulate, in a writing signed by the parties outside the presence of the court or orally before the court, for settlement of the case, or part thereof, the court, upon motion, may enter judgment pursuant to the terms of the

settlement.”¹ In consideration of such a motion, the trial court may “receive evidence, determine disputed facts, and enter the terms of a settlement agreement as a judgment” (*Weddington Productions, Inc. v. Flick* (1998) 60 Cal.App.4th 793, 810.) We review the trial court’s finding regarding enforceability of the 2015 Settlement Agreement under the substantial evidence standard. (*In re Marriage of Hasso* (1991) 229 Cal.App.3d 1174, 1181–1182.)

Here, the trial court considered and rejected each of the six arguments raised by Chow on appeal to support his position that the 2015 Settlement Agreement was obtained by undue influence and fraud.

First, Chow argues that Teng induced him into the 2015 Settlement Agreement by telling him that they were getting back together. As explained above, the trial court found Teng’s account of their reconnection more credible: Chow wrote a letter in April 2015 expressing his willingness to settle the case, Chow and Teng began meeting for meals, and then they signed a settlement agreement. The trial court explained that Teng’s account was corroborated by the fact that the letter “closely mirrors” the terms of the 2015 Settlement Agreement. The trial court found Chow’s testimony that Teng had initiated these meetings by calling him and sending him sexually explicit text messages less credible because he never produced evidence of those communications.

Second, Chow argues that Teng brought him to meet with her attorney and discussed a settlement agreement even when Chow was represented by his own counsel. As a preliminary matter, the trial court did not find Chow’s account of this meeting credible. But even if the meeting did occur, the trial

¹ Unless otherwise indicated, all further statutory references will be to the Code of Civil Procedure.

court explained that Chow admitted he did not sign any settlement agreement during that meeting. Instead, Teng and Chow met on a separate occasion and prepared a handwritten settlement agreement. Chow never testified that he wanted or lacked the ability to seek the advice of his counsel before signing that agreement.

Third, Chow argues that he was in a “vulnerable state of mind” because he was diagnosed with lung and brain cancer. The trial court found that Chow had introduced “no competent evidence supporting his claimed medical conditions or documenting when he was diagnosed.”

Fourth, Chow argues that the 2015 Settlement Agreement is “extremely unfair” because he was the sole owner of the Oakland property and Teng owed him \$690,000 in cash. The trial court rejected this argument because the ownership and the amount were based on orders made after the March 2015 trial, which had been set aside.

Fifth, Chow argues that Teng induced him into signing the 2015 Settlement Agreement because she misled him to believe that the Oakland property could be sold for far more than its appraised value. The trial court explained that not only did Teng deny suggesting the sales price, but Chow also had the requisite knowledge to evaluate the sales price because he had recently obtained an appraisal of the property.

Sixth, Chow argues that the 2015 Settlement Agreement is vague because it references money in the Wells Fargo account but does not specify “what money” in the account. The trial court explained that Teng and Chow testified at length regarding the nature of the money (remaining proceeds from the sale of the Burlingame residence) and how it was to be divided. The trial court found that their testimony did not suggest any misunderstanding of what was meant by the “money” in the 2015 Settlement Agreement.

In sum, we conclude that the trial court’s determination that the 2015 Settlement Agreement was enforceable, and not obtained by fraud or duress, was supported by substantial evidence. The trial court did not abuse its discretion.

III. SCOPE OF JUDGMENT

Finally, Chow argues that the trial court abused its discretion by entering judgment as to all remaining issues because there was “no evidence to show that the parties entered into a voluntary and knowing agreement on all issues and contentions in this case.” Specifically, Chow argues that there was “no inquiry” on his 15 claims for reimbursement, which were scheduled for trial in the event that the 2015 Settlement Agreement was found to be unenforceable. Chow offers no legal authority to support his argument.

Section 664.6 provides that a trial court may determine whether parties have entered into an agreement “for settlement of the case, or part thereof” That provision includes “an implicit authorization for the trial court to interpret the terms and conditions to settlement.” (*Fiore v. Alvord* (1985) 182 Cal.App.3d 561, 566.) “In interpreting the agreement, the court must consider all of the terms thereof, together with the circumstances and conduct surrounding its execution.” (*In re Marriage of Hasso, supra*, 229 Cal.App.3d at pp. 1181–1182.) We review the trial court’s determination regarding the scope of a settlement agreement under the substantial evidence standard. (*Skulnick v. Roberts Express, Inc.* (1992) 2 Cal.App.4th 884, 889.)

Here, the trial court found that the terms of the 2015 Settlement Agreement specified that Teng and Chow would “‘settle the case’” by splitting the Wells Fargo account and the Oakland property. It found that these terms “generally match[ed]” the terms proposed by Chow in his letter: If Teng agreed “‘to divide into 50% each person,’” he would “‘give up’” and

“‘let go’ ” of the money he claimed Teng had taken. The trial court found that the settlement “divided the parties’ remaining undivided assets 50/50.”

Moreover, the trial court made clear that the 2015 Settlement Agreement barred any claims for reimbursement that arose prior to executing the agreement. Teng’s request for order to enforce the 2015 Settlement Agreement included a reimbursement claim based on rental income from the Oakland property that Chow had allegedly received. The trial court found: “Any claim for reimbursement prior to the date of settlement execution she might have is barred by the terms of the settlement itself, which settles ‘the case’ for 50% of the Wells Fargo account money and 50% of the Oakland property.”

The trial court found that Chow effectuated the terms of the 2015 Settlement Agreement as to the Wells Fargo account by tendering a cashier’s check to Teng for \$72,000. Accordingly, it ordered entry of judgment “for division of property on the terms of the settlement” and reserved jurisdiction “to enforce the sale of the Oakland property and division of the net proceeds on an equal basis.”

We conclude that the trial court’s determination that the 2015 Settlement Agreement resolved the case, and thus barred the parties’ prior reimbursement claims, was supported by substantial evidence. The trial court did not abuse its discretion.

DISPOSITION

The judgment is affirmed. Teng is entitled to her costs on appeal. (Cal. Rules of Court, rule 8.278(a)(1), (2).)

Jackson, J.

WE CONCUR:

Siggins, P. J.

Fujisaki, J.

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